

John Elsesser  
Town Manager  
Town of Coventry  
Before the Finance, Revenue & Bonding Committee  
March 30, 2022

**RE: SB-12 - AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE FOR CAPITAL IMPROVEMENTS AND INFRASTRUCTURE INVESTMENT AND JOBS ACT MATCHING FUNDS AND EXTENDING THE TIME PERIOD FOR DISTRIBUTING GRANTS FOR CERTAIN LAW ENFORCEMENT EQUIPMENT**

Sen. Fonfara, Rep. Scanlon, Sen. Martin, Rep. Cheeseman and members of the Committee,

Thank you for the opportunity to comment on **SB-12**, Governor Lamont's proposed adjustments to the state's bond authorizations.

In addition to provisions authorizing funding for the required state match under the federal Infrastructure Investment and Jobs Act (IIJA), the Town of Coventry agrees with COST's testimony calling for provisions to reinvigorate the state's bond-funded Small Town Economic Assistance Program (STEAP).

STEAP was established in 2001 to assist the state's smaller communities in launching economic and community development projects. It is modeled after the Urban Act, which was created in 1979 and provides millions of dollars in grants to the state's cities.

Up until 2016, STEAP was a successful program that helped fund many projects throughout Connecticut. Unfortunately, the program languished for several years and towns were left wondering whether grants would be awarded or not.

In 2020, OPM announced that STEAP grants would be awarded, but grants would be capped at \$128,205 and municipalities were required to provide matching funds. This amount, given the costs of construction, is woefully inadequate to fund critical local economic and community development projects. In comparison, Urban Act grants are not capped or subject to a local match requirement.

To address these concerns, I support recommendations included in Sen. Osten's proposal, SB-144, to ensure that towns are eligible to receive up to \$500,000 and to increase that amount over the next five years to up to \$1 million.

This will ensure that STEAP can once again support some game-changing projects that will really make a difference in our community. For example, Coventry has been exploring a new water tower project to increase line pressure and service both for residential and industrial areas. This project requires more state assistance than was available this past year.

In addition, we believe the match requirement should be eliminated because municipal funding is often not available to provide the match, given other fiscal demands.

Strengthening the STEAP program in this manner will assist the state's smaller communities in reinvigorating local economies that have been impacted by the ongoing pandemic.

Thank you for the opportunity to comment on this important issue.